

Joint Public Hearing on:

**PR 14-539, “ Request for Proposals for the Disposition of the
Washington Beef Properties, Located at 1240-1248 4th Street, NE,
Legally Described as Square 2587, Lots 5, 800, and 802, and Parcel
129/32, Approval Resolution of 2002”**

**Before the
Committee on Economic Development
Harold Brazil, Chairman
and the
Committee on Government Operations
Vincent Orange, Chairman
Council of the District of Columbia**



**Testimony by Stanley Jackson
Director
Department of Housing and Community Development**

Thursday, March 14, 2002

Good afternoon Chairman Brazil and Chairman Orange, members of the Committees on Economic Development and Government Operations. I am Stanley Jackson, Director of the Department of Housing and Community Development (DHCD or the Department). I am accompanied by Jerry Williamson, Chief of the Division of Development Finance. Also, on behalf of the Mayor, Mr. Timothy Dimond, Director of the Office of Property Management, is here with me to respond to any concerns regarding the availability of this property as “surplus property”.

I am pleased to appear at this hearing before the Joint Committees to present testimony in support of Proposed Resolution 14-539, “ Request for Proposals for the Disposition of the Washington Beef Properties, Located at 1240-1248 4th Street, N.E., legally described as Square 3587, Lots 5, 800, 802, and Parcel 129/32, Approval Resolution of 2002”. Council approval of this request for proposals is the critical first step in the process of returning this property to private ownership and to the tax rolls.

The property, which is vacant and is not needed for governmental purposes, is located in the northeast quadrant of the District of Columbia at the

intersection of Florida Avenue and 4th Street, N.E., as can be seen on the attached map. It is prominently located at the entrance to the Capital City Market, a major food wholesale marketplace that houses predominantly food wholesalers, which provide produce, meats and processed foods and sundry goods to restaurants and food stores. Some of the wholesalers have limited retail sales. Although the general appearance of the area portrays a sense of dilapidation and abandonment, it supports a vibrant wholesale industry and secondary commercial/industrial community.

The site area of the property is a total of 14,452 square feet and includes two buildings: a two-story building located at 1240 4th Street, N.E., comprising 2,800 square feet, and a three-story building located at 1248 4th Street, N.E., comprising 38,720 square feet. The existing buildings are structurally sound, but functionally obsolete, and require statutory remediation/abatement of the asbestos contamination.

The property is zoned C-M-1. The permitted uses are warehousing, light manufacturing, retail facilities, motels, offices, and automotive servicing. Buildings in this zoning classification are subject to a 40-foot or three-story height limit and a FAR (floor area ratio) of 3.0.

The Department is offering to convey title to the property by special warranty deed with specific covenants running with the land, prescribing development and use restrictions affecting the property as mutually agreed between the Department and the selected developer. The property is to be sold in “as is condition,” without warranty by the District as to the physical condition of the land or of the buildings. The minimum acceptable offer to purchase the property is the current [February 16, 2001] “as is” appraised value of Seven Hundred Seventy Thousand Dollars (\$770,000.00).

Following Council approval of PR 14-539, the Department will publish and issue the Request for Proposals giving prospective redevelopers sixty days to submit a proposal for the purchase/redevelopment of the property. All proposals received shall be reviewed/evaluated by an Evaluation Committee and by the Director of the Department, and shall be submitted to the Advisory Neighborhood Commission (ANC 5-B) for review and comment. The Department may request clarification or such additional information as may be necessary to complete its review and evaluation of any accepted proposal. Each proposal will be evaluated to determine the extent to which it

contributes to the economic development of the Capital City Market specifically and the District in general and brings uses to the Property that contribute to the vibrancy of the area.

In addition, each proposal will be evaluated with respect to:

♦ **Proposal Feasibility**

Its feasibility based upon a comprehensive review of the development budget, the projected income and expenses pro-forma, the financing plan, and the experience and capability of the development team.

♦ **Minority Participation**

The extent to which it provides meaningful minority participation at all levels of the development process.

♦ **Price**

♦ **Development Program**

Its responsiveness to the Department's objective of having a first class facility to accommodate uses compatible with the rest of the market and surrounding area.

♦ **Quality of Plan**

The extent to which the development plan employs innovative design and brings uses to the Property that contribute to the vibrancy and add to the improvement in the aesthetic appearance of the area.

Within thirty (30) days from the submission deadline or receipt of any additional materials that may be requested, the Director will select, with the advice and counsel of the ANC, a proposal whose submitter will be offered a contract of sale for the Property. The Director may, at his sole discretion, reject any or all proposals and re-offer the Property.

I will be happy to answer any questions that you may have.

Attachment: Map of area surrounding site.